

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7551

BILL NUMBER: HB 1917

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Continuing education requirements for cosmetologists.

FISCAL ANALYST: Chris Baker

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill exempts from continuing education requirements cosmetologists who held valid licenses on August 1, 1996.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The Professional Licensing Agency (PLA) may have additional cosmetology licenses to renew as a result of this bill. Depending on the number of renewals the PLA would have to process, the additional expenditures should be able to be absorbed within budget. The effected inactive licenses are those licenses that were valid August 1, 1996.

Explanation of State Revenues: *Background:* The renewal fee for a cosmetology license for an individual or a salon is \$40. Additionally there is a restoration fee. For an individual the restoration fee is as follows: 1-30 days - \$20, 31-180 days - \$30, and more than 180 days - \$40. For a salon, the restoration fee schedule is as follows: 1-30 days - \$10, 31-180 days - \$50, beyond 180 days - \$100. Statute currently defines a cosmetology professional as either a master cosmetologist, cosmetologist, electrologist, manicurist, shampoo operator, esthetician, or cosmetology instructor.

The PLA reports that as of December 2000, there were 46,575 active and 4,922 inactive individual cosmetology licenses. Additionally, the number of active and inactive salon licenses was 10,900 and 1 respectively. The impact is pending, and would depend on those who held a valid cosmetology license on August 1, 1996, and have since become inactive that would wish to renew. The impact statement will be updated as additional information concerning the active number of cosmetology licenses as of August 1, 1996 becomes available.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Professional Licensing Agency; Board of Cosmetology.

Local Agencies Affected:

Information Sources: Professional Licensing Agency.